

DEBT FUNDING

Agreement signed at Washington June 11, 1932, modifying agreement of December 4, 1925

Operative from July 1, 1931

Revived (after World War II) February 26, 1948,¹ pursuant to article 10 of treaty of peace signed at Paris February 10, 1947²

Treasury Department print

AGREEMENT,

Made the 11th day of June, 1932, at the City of Washington, District of Columbia, between the GOVERNMENT OF THE KINGDOM OF RUMANIA, hereinafter called RUMANIA, party of the first part, and the GOVERNMENT OF THE UNITED STATES OF AMERICA, hereinafter called the UNITED STATES, party of the second part

WHEREAS, under the terms of the debt funding agreement between Rumania and the United States, dated December 4, 1925,³ there is payable by Rumania to the United States during the fiscal year beginning July 1, 1931 and ending June 30, 1932, in respect of the bonded indebtedness of Rumania to the United States, the principal amount of \$800,000; and

WHEREAS, a Joint Resolution of the Congress of the United States, approved December 23, 1931,⁴ authorizes the Secretary of the Treasury, with the approval of the President, to make on behalf of the United States an agreement with Rumania on the terms hereinafter set forth, to postpone the payment of the amount payable by Rumania to the United States during such year in respect of its bonded indebtedness to the United States; and

WHEREAS, Rumania hereby gives assurance to the satisfaction of the President of the United States, of the willingness and readiness of Rumania to make with the Government of each country indebted to Rumania in respect of war, relief, or reparation debts, an agreement in respect of the payment of the amount or amounts payable to Rumania with respect to such debt or debts during such fiscal year, substantially similar to this Agreement authorized by the Joint Resolution above mentioned;

¹ *Department of State Bulletin*, Mar. 14, 1948, p. 356.

² TIAS 1649, *ante*, vol. 4, p. 403.

³ *Ante*, p. 398.

⁴ 47 Stat. 3.

Now, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, it is agreed as follows:

1. Payment of the amount of \$800,000, payable by Rumania to the United States during the fiscal year beginning July 1, 1931 and ending June 30, 1932, in respect of the bonded indebtedness of Rumania to the United States, according to the terms of the agreement of December 4, 1925, above mentioned, is hereby postponed so that such amount, together with interest thereon at the rate of 4 per centum per annum from July 1, 1933, shall be paid by Rumania to the United States in ten equal annuities of \$97,500.16 each, payable in twenty equal installments, the first to be paid on January 2, 1934, the second on June 15, 1934, and the remainder to be paid successively on December 15 and June 15 of each fiscal year beginning with the fiscal year beginning July 1, 1934 and ending June 30, 1935, and concluding with the fiscal year beginning July 1, 1942 and ending June 30, 1943. The bond numbered 7 dated June 15, 1925 and maturing June 15, 1932, in the principal amount of \$800,000 delivered by Rumania to the United States under the agreement of December 4, 1925, shall be retained by the United States until the annuities due under this Agreement shall have been paid.

2. Except so far as otherwise expressly provided in this Agreement, payments of annuities under this Agreement shall be subject to the same terms and conditions as payments under the agreement of December 4, 1925, above mentioned. The proviso in paragraph 2 of such agreement, authorizing the postponement of payments on account of principal, after June 15, 1939 and the option of Rumania provided for in paragraph 4, to pay in obligations of the United States, shall not apply to annuities payable under this Agreement.

3. The agreement of December 4, 1925, between Rumania and the United States, above mentioned, shall remain in all respects in full force and effect except so far as expressly modified by this Agreement.

4. Rumania and the United States, each for itself, represents and agrees that the execution and delivery of this Agreement have in all respects been duly authorized and that all acts, conditions, and legal formalities which should have been completed prior to the making of this Agreement have been completed as required by the laws of Rumania and the United States, respectively, and in conformity therewith.

5. This Agreement shall be executed in two counterparts, each of which shall have the force and effect of an original.

IN WITNESS WHEREOF, Rumania has caused this Agreement to be executed on its behalf by its Envoy Extraordinary and Minister Plenipotentiary at Washington, thereunto duly authorized, and the United States has likewise caused this Agreement to be executed on its behalf by the Secretary of the Treasury, with the approval of the President, pursuant to a Joint Reso-

lution of Congress approved December 23, 1931, all on the day and year first above written.

The Kingdom of Rumania

By

DAVILA

*Envoy Extraordinary and
Minister Plenipotenti-
tary*

The United States of America

By

OGDEN L. MILLS

Secretary of the Treasury

Approved:

HERBERT HOOVER

President